



C-E FEDERAL CREDIT UNION

August 6, 2009

Board of Governors of the Federal Reserve
20th & C Streets NW
Washington, DC 20551

Subject: Reg Z - Truth in Lending
CARD Act of 2009

To the Honorable Board of Governors:

My name is Mark A. Wright and I am President/CEO of C-E Federal Credit Union, Houston, Texas. Our credit union serves approximately 4,000 members from about fifty-five select employee groups in the Houston area.

Let me state up front, our credit union has no problem complying with the Credit Card Accountability, Responsibility, and Disclosure Act of 2009 as it relates to credit cards. C-E FCU does not engage in any of the practices this law is designed to cure, and does already send monthly statements more than 21 days before the due date. So I understand and agree with the reasoning behind CARD Act of 2009 as it relates to credit cards.

However, the extension of the law to all open-end loans creates an extremely costly and difficult burden to be borne unfairly by credit unions and their members, especially the small credit unions with limited resources.

The open-end credit plans as administered in the credit union industry context provides the ability for us to serve the member in an efficient manner. The CARD Act of 2009 will force credit unions to implement costly measures to comply with the law and restrict the ability to service the member. And again, those are expenses that we really do not need at this time.

The present open-end plan that we operate under allows the member to select payment schedules that meet their financial needs and budgets. The options of weekly, bi-weekly or semi-monthly payments will be eliminated if the current compliance restrictions of the 21-day notice are left unchanged.

If a member will be required to switch from bi-weekly payments to monthly payments, his interest costs will increase. The member will also have to adjust his finances in order to make a higher single payment rather than having smaller payments, which minimize the cash flow impact. The very bill that was intended to have pro-consumer legislation would actually become anti-consumer.

The compliance requirements of this Act will impact numerous internal operations such as increased mail processing at one specific time of the month, added costs to mail monthly statements, and cause a period of intense member confusion on why new measures must be implemented. And I am not excited at all about the new data processing costs that will be required to comply with this Act.

Our time-proven open-end loan program is consumer-friendly and efficient. In my opinion these changes to the current open-end lending processes were improperly included in a law designed to curb lending abuses in credit card programs. I would ask that the entire law be reviewed and such onerous mandates be removed from the law. However, I urge you at a minimum to delay implementation of the new interim final rule for several months so credit unions, data processors, and the members can sort out these complex issues. Under the current version the deadline does not provide for a reasonable time-frame for which to comply.

Thank you for your time and consideration of this information.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A Wright". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark A Wright
President/CEO

MAW:gds

cc: Natasha Milugin, TCUL
Suzanne Yashewski, TCUL
N Clyburn, CUNA